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**Annual Budget
Submission**

FY-1995

SRI LANKA

AUGUST 1993



**Agency for International Development
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UNCLASSIFIED

SRI LANKA

FY 1994-1995 BUDGET SUBMISSION

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MISSION DIRECTOR'S NARRATIVE STATEMENT

I. SUMMARY

The USAID/Sri Lanka has a tightly integrated program focussed on three of the Administrator's Policy Areas - Economic Growth, Environment, and Democracy. Its program is greatly valued by the Government and donors and its influence is disproportionate to its resource levels. It successfully supports in key areas a country with greatest potential in South Asia for NIC status.

We believe that a program at the 75% level in FY94 should focus on the same three Policy Areas but allocate smaller resources to existing projects and delaying new starts. The major impact of this reduction will be to lose some policy reform leverage by postponing a policy support project; slowing start-up activities of our citizen action program; limiting foreign exchange funds for key U.S. PVO's potentially working in the north and eastern conflict zone and in governance activities and reducing sectoral coverage of privatization of infrastructure and leveraging of housing guarantee resources.

At the 75% level in FY95, we would further reduce project components relating to the three Policy Areas. The major impact would be further loss of policy reform leverage, reductions in environmental field activities (including our coastal management program), a major loss of momentum with enterprise development work, reducing opportunities to attract foreign investment and continued limited foreign exchange resources for key U.S. PVOs working in areas of U.S. interest.

In FY95 at the 50% level, we would need to reconsider our strategic objectives, particularly in environment, as all field work would be terminated and limit us to assistance in regulatory activities. Our efforts in increasing citizen participation would be limited with only local currency being available to support local NGOs. We would curtail most of our enterprise development work, further reduce activities to attract foreign investment, and

in further reducing our leveraging of donor assistance activities.

OE reductions of an immediate 25% is too severe for any field mission to responsibly manage. In FY94 this will require our eliminating of 2 USDH and 5 FSN positions, no equipment procurement, significant reduction in all operational travel (constraining our monitoring and management functions), no travel for AID/W personnel, and reduction in security coverage. A similar impact in FY95 at the 75% level is envisaged.

II. BACKGROUND

A. Country Setting

Sri Lanka is a South Asian country of 17.5 million persons. It has relatively good human and natural resources with comparatively impressive social indicators. Notwithstanding an active democracy and solid economic growth, poverty persists (per capital income of \$500), citizen participation is limited and inequitable income distribution is a concern. The Government has embarked upon an ambitious economic liberalization process strongly supported and monitored by the World Bank and IMF. It is committed to the policy areas and direction articulated by the U.S. Administration. It relies heavily on USAID for leadership in economic growth, (agrobusiness, private infrastructure technology transfer and financial markets) environmental management and participatory development. Its unfortunate internal conflict drains away considerable government resources and restrains dramatic growth figures which would be possible without it.

B. U.S. Government Interests

The U.S. Government interests pursued strongly by the resident Mission are the following: (a) Promote peace in the country and region, especially by creating conditions which will permit resolution of Sri Lanka's internal conflict in the North and East; (b) Support the strengthening of democratic institutions and rule of law with particular focus upon reducing the level of human rights violations; and (c) Support of the Sri Lanka's open market and private sector oriented economic reform process and strengthening the economic relationship between U.S. and Sri Lanka through development activities and increased trade and commercial linkages.

Sri Lanka is one of South Asia's oldest and most consistent democracies which is evolving from a socialist, centralized economy to a more open and free economy and society. It has made significant strides in its economic reform program, with USAID and donor assistance, and with the political will to make difficult economic and political decisions. The USAID program, which provides resources to assist the Government in these efforts, clearly supports the U.S. interests.

C. USAID's 1992-96 Strategy and Its Implementation

The 1992-96 Strategic Framework was approved in April 1991. Its vision was Sri Lanka as a greener, more democratic newly industrializing country in the next decade with a goal of expanding opportunities through new private-public partnerships. The framework's four strategic objectives were (a) sound investment climate and business performance; (b) diversification and commercialization of agriculture; (c) conservation of environmental and natural resources, and (d) citizen participation in democratic systems. Its cross-cutting themes included: sustainability, human resource productivity, U.S. technology and investment, and policy change.

The Mission from 1991 to 1993 designed new projects and implemented the strategy which produced notable accomplishments in each of the strategic areas. These accomplishments are outlined in Annex 2, "USAID/Sri Lanka - A Results Oriented Program".

The Strategic Framework also contained a management strategy to better focus and reduce the project portfolio (reduced from 20 to 9), increase DA resources to the nongovernment sector (increased from 15 to 47%), integrate the PL-480 and Housing Guarantee programs (successfully completed), reduce the number of centrally funded projects not consistent with Mission strategy (from 38 to 8 projects), reduce pipeline (from \$107 to 30 million), promote mechanisms to facilitate U.S. exports and investment (\$15 million) and increase the roles and responsibilities of our FSNs. The Mission also established well acclaimed quarterly program performance review, commodity monitoring, participant training, internal assessment, host country contribution and audit tracking, evaluation oversight and policy agenda systems.

III. AGENCY POLICY GUIDANCE FOR THE ABS AND THE NEW USAID/SRI LANKA PROGRAM

A. USAID/Sri Lanka's Response to Policy Guidance

USAID/Sri Lanka fully supports the commitment to promoting equitable, sustainable development in a poorer country. Our program is directly focussed on three of the Administration's global problems of Environment, Democracy, and Economic Growth with minor activities in population/health. We have successfully refined a program which is clearly supporting the Government of Sri Lanka's efforts for economic and political liberalization and have in place project interventions which have the capacity to respond quite rapidly to economic development issues.

The USAID/Sri Lanka program has and will continue to strengthen its programs to execute the Administration's implementation strategy. The participatory approach has been fully used in the design of our new projects and we have given priority in all of our projects to empowerment and participation. These efforts have resulted in a fully integrated program in which most of our projects contain significant components in each of the three policy areas. We are committed to a results oriented approach having been one of the first Asia Bureau Missions to adopt the PRISM approach which has helped to articulate the results oriented program described below. We have and are continuing to strengthen the "purpose level" indicators (answering the question of "So What?") within our model Project Implementation Review (PIR) process which can show the relationship of the project to program and strategic requirements.

We have also recognized the importance of the broader policy framework to accomplishing development objectives and have instituted a Mission Policy Coordinating Committee to identify policy constraints, to identify a common policy agenda, and to provide analysis and leverage from our projects to resolve these constraints. Our technical competence, well focused program, field presence, and the abnormally high respect by the Government and donor community have enabled us to provide a leadership policy role and to directly (\$114 million) and indirectly (\$685 million) leverage multilateral and bilateral resources.

B. The New USAID/Sri Lanka Program - Structure and Results

Recently, USAID/Sri Lanka has redefined its program towards a vision of "A 'Greener' Democratic Newly Industrializing Country with Broad-based, Sustainable Accelerated Economic Growth." It has reduced its four strategic objectives to three and integrated these objectives closely with the Agency's new Policy Areas. It has defined a set of program outcomes in each policy area to which each of our project interventions contribute and further integrated the DA, PL-480 and Housing Guarantee resources. The new matrix can be found in Annex 3.

With full funding of \$19 million annually the USAID/Sri Lanka Program will make the following anticipated contribution to Sri Lanka's development; this presentation is taken from our Mission Program Performance Information System which specifically lists our strategic objectives, indicators, and targets:

Economic Growth: Increased competitiveness and growth of markets and enterprises. The USAID program will contribute to a rise in value of non-traditional exports in 1998 by 60%. We will contribute significantly to almost doubling foreign investment from \$505 million to \$900 million, and increasing the value of agriculture production by 30% (from \$310 million to \$ 490 million).

At the level of program outcomes, our projects will produce a 400% increase in total value of Government controlled assets transferred to the private sector (currently more than \$300 million). Our program will result in a five-fold increase in technological investments of our targeted firms thereby improving technology, markets, and employment. In developing efficient financial markets, we will at least double tradable private equity and debt from the current \$28 million. Finally, we will improve the legal regulatory and policy performance by quadrupling the number of restructured public agencies responding to private sector needs.

Environment: Improved practices for sustained productivity of natural resources. Our efforts will place 500,000 hectares of land under proper conservation methods and increase by 10% annually new investments complying with the newly legislated Environmental

Impact Assessment (EIA) standards.

Selected USAID program outcomes include: a 400% increase in the number of hectares which will be covered by management agreements between the Government and local user groups; a doubling in the percentage from 24% to 50% of direct public involvement in environmental issues and activities; an increase from 600 to more than 30,000 farm households applying environmental techniques directly impacted by our projects; and a three-fold increase in actions to enforce environmental laws and implement the National Environmental Action Plan.

Democracy: Greater empowerment of broad range of citizens to participate in development and democratic systems. We will substantially increase the number of individuals who become personally active in promoting development and democracy, and increase the level and effectiveness of citizen activism. We also expect a significant increase in the number of public policy decisions being influenced by organized citizen action. We are in the process of finalizing program targets for this strategic objective.

The USAID program has a number of projects which involve strengthening and making more viable and effective non-government bodies and their activities. We see a stronger advocacy role (particularly in human rights, environment, economic policy), an increase of activities benefitting vulnerable groups, and in a strengthening of these organization according to recognized standards of performance and accountability. We will contribute to a strengthening of rule of law through decreased human rights violations and in improved judicial systems. We anticipate an increased range of public information and opinions available on key development issues. And finally, we foresee a significant increase in targeted low income families increasing assets over the poverty line, decreased malnutrition among infants and pre-school children, and increased access to income generating activities particularly by the poor.

The USAID program also contains a number of cross cutting themes. First, an appropriate policy framework is critical for effective use of scarce resource and to increase proper growth. USAID's policy agenda is outlined in Annex 3. Second, we will continue our concern about increasing the role of women in development and have developed gender specific data to help give

this issue proper attention. Third, human resource development is key to sustainable development and the program gives emphasis to helping develop the skills of individuals responsible for implementing new development approaches and analysis. Fourth, while trade promotion is no longer an Agency concern, we continue to support activities which will increase U.S. involvement in the Sri Lankan economy through our development activities.

The program plans to start Citizen Participation (CIPART) and Policy Reform Support (PRS) projects in FY94, and a Sustainable Enterprise Technology (SET) project in FY95. The final two years of the multi-year Title III program will be implemented in FY94 and FY95 with a follow on program projected for FY96 through FY98. Sector analysis during FY94 will identify new program and project design for FY95 with implementation initiated in FY96.

The contribution USAID can make to Sri Lanka is significant and is far disproportional to its actual levels. The leadership role acknowledged publicly by the Government and donors as well as the significant leveraging of multilateral, bilateral and Government resources provides the USG an unusually important development role in this country.

IV. FY 1994 - IMPACT OF A REDUCTION TO A 75% LEVEL

At the 75% level for FY94, we will endeavor to preserve our Mission Strategic Objectives and their linkage to A.I.D.'s Policy Areas. This exercise will require a distribution of this reduction across the project portfolio which will in turn result in curtailment of several activities with consequent impact upon program outcomes. The most important of these will be our inability to initiate our new Policy Reform Support (PRS) project which is both important and timely due to the termination of other policy related projects and to support our increasingly effective policy dialogue particularly of that leveraged by our already reduced PL-480 Title III program. We would thus risk losing our hard-earned role as a broker on difficult policy issues between the Government of Sri Lanka and the IMF and World Bank. We will also be required to restrict our support to privatizing infrastructure to a reduced number of sectors and lose the leveraging of housing guarantee funds.

We will have limited foreign exchange funds to support U.S. PVOs in the democracy areas. We would be restricted to working largely in health and population rather than with advocacy groups.

Other effects of the reduction are outlined below. The overall impact of this reduction would have overly severe adverse effect on our strategic objectives in FY94, if they were followed by similar or increased reductions the following year.

Economic Growth. There will a notable impact on the Mission's efforts to increase competitiveness and growth of markets and enterprises. Reductions of the two Mahaweli projects would result in a decrease of our assistance to 12,000 small farm families and a loss of 3300 jobs. The Agro-Enterprise (AgEnt) project, which would be geared up for full implementation, would have 25% less resources for enterprise grants. The project for privatizing infrastructure (PPI) would be reaching its "peak year" of exploring all potential investment opportunities; cutbacks could reduce the potential foreign investment of some \$500 million by some 20% to 30% in power, transport and urban infrastructure. It would also be necessary to limit our human resources development only to infrastructure in the power and transport sectors currently under consideration, rather than other targeted areas with high potential for success. And we would also be limited in our work with urban infrastructure and leveraging of up to \$30 million in Housing Guarantee resources. The most significant impact at this level would be the inability of the Mission to initiate our planned Policy Reform Support project. This is seen as the major instrument to maintain policy leverage in all A.I.D. Policy Areas as older projects with policy elements are terminated. Most importantly, it provides the analytical base for the policy reform agenda being advanced through the PL-480 Title III Program which is also limited by reductions in Title III levels. Finally, the IESC program of 20 new volunteers would not be possible and the number of grants under the highly successful technology transfer (TIPS) would be reduced by 50%.

Environment. We would be able to retain most activities aimed at a healthy environment and productive natural resource base at the 75% level. However, as many of our activities in this Policy Area, such as SCOR, are now in their build-up stage, the full effect of this reduction would handicap these field activities only if decreases continue into FY 95. If so, it would reduce our planned technical assistance and training by some 25%, and in subsequent years reduce by 50% the amount of areas targeted for improved environmental practices. The reduced level would limit

our planned involvement in environment-related infrastructure under

PPI to only one of the anticipated three municipal initiatives. There will be a 30% reduction in environmental grants under TIPS and our flagship environmental project (NAREP) would see a 25% decrease in support of park management and a reduction in overseas training.

Democracy. The 75% level would affect our empowerment and participation objectives by a reduction of the number of local groups with which we would be able to work. Four of our "core projects" which have participatory development objectives would have to decrease one-third the total number of associations and citizen groups targeted next year. More significantly, however, would be the limited foreign exchange resources required to work with the U.S. PVOs in the areas of agriculture, microenterprise and refugee support (CARE) and with democracy (Asia Foundation). The reductions would also affect the Mahaweli project by reducing by 50% the number of farm organizations to be developed in FY94 (30 organizations with 3000 members). It would also restrict CIPART to financing largely those groups involved with health and population rather than advocacy, micro-enterprise, and relief/refugee groups.

V. FY 1995 - IMPACT AT THE 50% AND 75% LEVELS

A. 50% Level:

A 50% reduction in USAID/Sri Lanka's FY95 levels would require drastic modifications (at substantial manpower costs in redesign, re-modifications, etc.) in the portfolio and strategic performance results. Due to minimal obligations for AGENT, PPI and MARD, an early termination of TIPS, and no funding for Policy Reform Support (PRS) or Sustainable Enterprise Technology (SET) project startups, we would lose the ability gained over the last four years to lead economic growth in Sri Lanka through policy liberalization, attracting new investment and expanding entrepreneurship. Halving the obligation needed for NAREP would force us to all but eliminate any substantive field efforts to improve Sri Lanka's environment, particularly to protect its biodiversity.

A substantially reduced obligation for CIPART (and any

reduction in PL-480 local currencies) would limit our democracy efforts to develop citizen action groups and open public policy processes. Our program with PVO's would revert to local cost financing (from PL-480 funds) for ad hoc local PVO grants, in effect, precluding us from embarking on our new strategy emphasizing citizen action.

USAID would not be able to meet any strategic elements of its performance contract, would have to reconsider the focus of its environmental strategic objective, the initiation of work with citizens action groups and its leading role in Sri Lanka's economic growth. Simply said, if our already reduced program levels are further decreased to the "50% Level", USAID would make much less of a difference in Sri Lanka.

Economic Growth. Notwithstanding the guidance's more limited definition of this policy area (Policy Reform, Human Resources, Private Enterprise and Sustainable Agriculture), deep cuts would be necessary in our primary projects in this area - MARD-MED, AGENT, PPI and PRS. Our achievement of this strategic objective would be limited in two ways. Since there would be no funding for the planned Policy Reform Support Project and large reductions in policy-related elements of most projects along with the reduced levels of PL-480 leverage, the pace of policy reform will likely be considerably slower. Only half of the \$1.2 billion of privatization planned would be achieved. No further Housing Guarantees would be able to be leveraged by PPI. Losing \$25 million in HG funds and reductions in MARD would preclude achievement of the "critical mass" necessary to leverage \$40 million in investment in the Mahaweli. Reductions to our highly successful efforts to expand enterprise (TIPS, AGENT) would slow the targeted expansion of competitive exploit enterprises, leaving only non-traditional agricultural exports which are less than a third of the total target. Consequent reductions in employment would be on the order of 10,000 jobs not created. No further phase (SET) to the successful TIPS and MED programs would be possible. Thus, although we could maintain efforts to achieve this strategic objective, our impact and leading role in policy liberalization, training businessmen and women, and expanding private enterprises would be limited, if not lost.

Environment. Deep cuts in NAREP (including SCOR) and MARD will dramatically reduce our ability to achieve this objective and

its four program outcomes. NAREP's field activities in watershed, coastal and wildlife management and MARD's Environmental Action Plan and sustainability activities would not be possible. Field activities of local community management and improved environmental techniques would be severely curtailed by reduced funding. Less than one-third of the 62,000 hectares of targeted area would be transferred for management by local communities and a small fraction of the expected 30,400 households using improved environmental techniques would be possible. These reductions would effectively marginalize these two program outcomes and the associated strategic objective and indicator - 495,000 hectares of land with improved environmental practices. Without the startup of SET Project 100 enterprises will not be able to access environmental technologies. We would likely lose ability to significantly influence legal, regulatory and policy performance (50 administrative and legal actions expected in the fourth program outcome). Initial efforts with six environmental advocacy groups would have to be curtailed. The only remaining achievable targets might be 10% of investments following EIA guidelines and increased public awareness and involvement in environmental issues by half of Sri Lanka's citizens due to the low cost of these efforts. Thus, severe reductions in NAREP and MARD would effectively preclude achievement of this Strategic Objective.

Democracy. Deep cuts in CIPART to \$300,000 in FY-95 will substantially reduce our ability make significant progress in this objective and its four program outcomes. With so little foreign exchange resources it would not be possible to have much work with US PVO's. NAREP's reduced levels will preclude participatory management with community groups. The human rights and public information outcomes may still be able to be partially achieved with use of PL-480 local currencies with local NGOs enabling very limited work towards this strategic objective target of citizens' influencing public policy decisions. Assistance to those impacted by war and poverty would also be limited, but not likely marginalized due to the sizable PL-480 local currency component earmarked for NGOs. Thus, a major reduction in CIPART's levels will certainly slow and necessitate a rethinking of our objectives and achievements, but may not necessarily result in the abandonment

of this strategic objective since many of the program outcomes may still be able to be achieved through smaller grants and local currencies.

B. 75% Level:

At the 75% level in FY 1995, we would still endeavor, but with difficulty to preserve all three Mission Strategic Objectives and their linkage to three A.I.D. Policy Areas. Again, this exercise would require distributing reductions across the project portfolio. These reductions and subsequent impact on our program outcomes and indicators would be especially severe if the Mission was asked to make these reductions in addition to a "75% Level" in FY 1994. Generally affected would be the Mission's agenda for policy reform; and the Mission's strategic objectives for increasing economic growth in agriculture production and in encouraging foreign investment, and further reduction in our democracy and environment activities which are just gaining momentum and impact.

Economic Growth. Most importantly the planned start of a modest but critical Policy Reform Support Project in FY 1994 would continue, but at levels so low that we would be forced to choose policy initiatives in only one or two sectors (for example, we would have to choose between the finance and trade sectors, or between the food and natural resource sectors). This would restrain Mission efforts in leveraging policy reform as well adversely affect our influential relationship with the Ministries of Finance and IMF and World Bank. As in a reduced level for FY 1994, we would expect reductions of about 35% in our work with agro-enterprises, resulting in a reduction of 1200 jobs from our targeted employment creation, and we lose the momentum of the highly successful TIPS approach, since the design of the new enterprise program (SET) would be slowed or postponed with a likely loss of 2000 jobs not created. We would also be forced to withdraw our microenterprise support under the CIPART project.

Environment. Further reduction in FY 1995 would require us to drop our new special projects initiatives in community management of natural resources, and our coastal management component of NAREP. Furthermore, our Agro Enterprise Project and planned startup of a Sustainable Enterprise Technology (SET) project would be significantly curtailed and delay any initiatives for promoting

and marketing environmental technologies.

Democracy. We would face further reductions to only one-half of the citizen associations and action groups CIPART had targeted. The lack of foreign exchange (US\$'s) would curtail support for the work of U.S. PVO's as "Lead Organizations" in CIPART, as well as our support for chambers of commerce and business associations. Also affected would be our planned assistance with U.S. PVO's in the legal, media and governance areas.

VI. OPERATING EXPENSE BUDGET

Retaining the FY93 OE level in FY94, the Mission can maintain its operations and program at current levels and continue with its current complement of FSN Personnel and US Direct Hire staff (which has already been reduced by one USDH during each of the three preceding years). It would permit the continued emphasis on FSN staff development, rigorous/intensive financial oversight, essential procurement needs and utilization of improvements in automation technology.

While we fully recognize the severe OE constraints facing the Agency (\$50 million from a \$500 million budget or 10%), an immediate 25% OE reduction on any field mission, particularly a medium Mission such as ours, will erode the very delivery system considered to be A.I.D.'s strongest advantage. As USDH positions are a significant cost factor, we would be forced to reduce our U.S. staff by two. This would require not replacing senior officers who are prematurely transferring (because of NIS demands) in FY94. In both cases, we have identified qualified replacements and agreed upon their scheduled arrivals. We are also seriously looking at ways of altering our office leasing arrangements which may permit us to reconstitute one of these USDH positions (see discussion below). Our program has not generated OE Trust Funds in the past, and it will not generate OE Trust Funds in the future.

Other measures required to reduce the budget to the 75% level in FY94 are as follows:

1. All non-expendable equipment procurement planned for FY-1994 would be eliminated for savings of \$122,026. The A.I.D. specified

replacement cycle for all furniture, equipment, and software/hardware will not be followed. This will result in larger expenditures in future years as these items deteriorate. It would also prevent the Mission from taking advantage of any new developments in automation technology which are critical to modern management.

2. All Mission operational travel for in-country site visits, AID/W personnel, training, and conference attendance will be reduced from \$ 131,000 to \$54,000. This would severely constrain the ability to monitor and properly manage the Mission program and reduce the ability to supervise non-Colombo-based activities. It would significantly reduce training for a more cost effective FSN staff which is critical if they are to upgrade skills for increased responsibility to replace USDH. At this reduced level the Mission would have no ability to fund TDY travel of AID/W personnel. Adequate funds for travel of the Regional Legal Officer and the Regional Contract Officer to the Mission must be allocated to ensure against any impediments to timely implementation and essential regulatory measures.

3. Resources will be left only to repair and maintain residences, office facilities, vehicles, furniture and equipment, to procure only essential office supplies, and to communicate via FAX or telephone. We will approach the Embassy to reduce security to the bare necessity. All resources for temporary PSC assistance from AID/W will be eliminated. These reductions produce a combined saving of \$176,600.

4. We have purposefully reduced only 5 FSN positions (by attrition) because we contend FSNs will be essential elements of cost effective field mission.

Only with these drastic cutbacks would we be able to realize total reductions of \$628,750 down to the prescribed 75% level of \$1,886,250. You may have noted we have reduced no FSN positions (except the five resulting from retirements) because we strongly believe these valued staff will be the most cost effective manner to continue our well recognized field mission presence.

With the reduction we believe it would be difficult to properly manage the 1994 program at the 75% and 100% levels because of vulnerability to performing our fiduciary, program management, and oversight responsibilities. As mentioned above, we will be looking seriously into whether portion of the office building lease

agreement payment that is due in FY-1994 can be deferred to FY-1995. We will propose deferring some \$212,000 from the total lease agreement amount of \$383,644 due in June, 1994. This amount would also include an estimated amount of \$18,153 for interest and penalty due to the delayed payment for approximately five months to November, 1994. If successful, we may be able to maintain U.S. Direct Hire positions which would have to be cut in FY-94.

In FY-1995 similar reductions have been budgeted as in the previous fiscal year to realize a reduced budget at the 75% level. This is a year in which there is a high number of U.S. Direct hire that are either ending tours or going on home leave and return to post. As in the previous year, in order to get down to the 75% level, an additional U.S. Direct Hire position will have to be eliminated resulting in savings of approximately \$95,000 in post assignment, education allowance, R&R and residential costs. As in the previous fiscal year, similar reductions were made in various budget line items as follows:

- Continued elimination of most non-expendable equipment by reducing the original planned budget from \$197,623 down to \$14,775, a reduction of \$182,848;
- Reduction of Mission operational travel from \$131,000 by \$62,400 down to \$68,600. As in FY-1994, this would again permit only limited regional travel by the RLA or the RCO and limited ability to perform in-country field visits;
- Reductions in renovation, repair and maintenance for residential and office building as well as reduction in general supplies for office operations totaling \$82,600;
- All other reductions to allow for minimal communications, guard services and all other miscellaneous contracts total \$77,274.

With these reductions the Mission can reach required 75% budget level of \$1,886,250 for FY-1995. As in the previous fiscal year this again is the lowest budget that would still allow the Mission to manage the project portfolio. This could only be made

possible by the shifting of a large portion of the burden to the FSN staffing with the continued reduction of the USDH staffing levels.

Finally, if there are major reductions to the OYB, it will require major restructuring of the existing projects. This will require more rather than fewer staff in the medium term and will focus the Mission's attention on redesign rather than implementation and results.

We would strongly recommend a more gradual reduction in OE. We would be willing to help the Agency to meet the 10% reduction which would permit a systematic readjustment of the support services to implement the USAID/Sri Lanka program and a readjustment of the program to the new OYB levels.

TABLE IV : PROJECT BUDGET DATA (U.S. \$000)

PROJECT NUMBER	FUND SRC	NPA IND	OBLIG DATE INIT/FINAL	---TOTAL COST--- AUTH PLAN	OBLIG THRU FY 1991	--FY 1992 EST.-- OBLIG ATIONS	EXPEND ITURES	-----FY 1993 PLANNED----- OBLIG ATIONS	EXPEND ITURES	YR END MORTGAGE	--FY 1994 PROP.-- OBLIG ATIONS	EXPEND ITURES	FY 1995 OBLIG PROP
383-0040			RICE RESEARCH										
	FN L		77 77	33,190	3,319	3,319							
383-0043			MALARIA CONTROL										
	HE G					2,187				-2,187			
383-0056			MAHAWELI BASIN DEVELOPMENT I										
	FN L		80 80	9,493	9,493	9,493							
383-0058			DIVERSIFIED AGRICULTURE RESEARCH										
	FN G		84 90	11,100	11,100	11,100	661		2,306				
	FN L		84 90	3,500	3,500	3,500	1,349						
	PROJECT TOTAL:			14,600	14,600	14,600	0	2,010	0	2,306	0	0	0
383-0073			MAHAWELI BASIN DEVELOPMENT II										
	FN G		81 87	2,910	2,910	2,909				1			
	FN L		81 87	101,195	101,195	101,195							
	PROJECT TOTAL:			104,105	104,105	104,104	0	0	0	1	0	0	0
383-0075			MAHAWELI ENVIRONMENT PROTECTION										
	FN G		82 84	5,000	5,000	5,000							
383-0080			IRRIGATION SYSTEMS MANAGEMENT										
	FN G		86 87	6,900	6,900	6,900	1,070		174				
	FN L		86 87	11,700	11,700	11,700	5,297		3,217				
	PROJECT TOTAL:			18,600	18,600	18,600	0	6,667	0	3,391	0	0	0
383-0083			AGRICULTURE PLANNING AND ANALYSIS										
	FN G		86 92	5,180	5,180	4,700	480	1,379	841			460	
	FN L		86 92	1,420	1,420	1,420*		414	253			198	
	PROJECT TOTAL:			6,600	6,600	6,120	480	1,793	0	1,094	0	0	658
383-0085			DEVELOPMENT STUDIES AND TRAINING										
	FN G		87 92	4,250	4,250	4,250		721	493			488	
	EH G		87 92	550	550		550	109	441				
	SD G		87 92	2,750	2,750	2,750		728	157			507	
	PROJECT TOTAL:			7,550	7,550	7,000	550	1,558	0	1,091	0	0	995
383-0086			MAHAWELI AG AND RURAL DEVELOPMENT										
	FN G		87 95	10,200	19,200	10,200	1,050	2,459	2,200	2,893	5,750	3,943	3,096
	FN L		87 95	3,800	3,800	3,800		751		908			1,072
	PROJECT TOTAL:			14,000	23,000	14,000	1,050	3,210	2,200	3,801	5,750	3,943	4,168
383-0088			WATER SUPPLY & SANITATION SECTOR										
	HE G		84 89	6,040	6,040	6,040							
	HE L		84 89	7,065	7,065	7,065		158					
	PROJECT TOTAL:			13,105	13,105	13,105	0	158	0	0	0	0	0

TABLE IV : PROJECT BUDGET DATA (U.S. \$000)

PROJECT NUMBER	FUND SRC	NPA IND	OBLIG	DATE INIT/FINAL	--TOTAL COST-- AUTH PLAN	OBLIG	--FY 1992 EST.--	EXPEND ITURES	OBLIG	--FY 1993 PLANNED--	YR END MORTGAGE	OBLIG	--FY 1994 PROP.--	EXPEND ITURES	OBLIG	FY 1995
			THRU FY 1991			OBLIG ATIONS	EXPEND ATIONS		PROP.- ITURES	OBLIG PROP						
383-0090			MAHAWELI ENTERPRISE DEVELOPMENT													
	FN G		89 95	15,000	15,000	6,600	3,000	2,073		2,174	5,400	2,900	3,312			
383-00DR			DISASTER RELIEF													
	PN G	NP	90 90			137				-137						
383-0100			PRIVATE SECTOR POLICY SUPPORT													
	FN G		88 96		1,000		1,000									
	EH G		88 96		2,700		550		2,000	550	150	150	1,500			
	SD G		88 96	15,000	18,300	10,944	3,280	3,122	1,000	2,760	3,076	1,600	1,296	1,476		
	PROJECT TOTAL:			15,000	22,000	10,944	4,830	4,122	3,000	3,310	3,226	1,750	2,796	1,476		
383-0101			PVO CO-FINANCING II													
	FN G		87 94	7,803	8,117	6,947	1,170	1,828		1,322			1,831			
	PN G		87 94	1,000	200	200		94					46			
	HE G		87 94	1,504	1,503	1,103	400	256		409			300			
	CS G		87 94	600	800	300		81	500	204			90			
	DG G		87 94	150	150				150				50			
	EH G		87 94	83	339	339		169		94			76			
	SD G		87 94	2,260	2,891	2,510		228	240	662	141	141	470			
	PROJECT TOTAL:			13,400	14,000	11,399	1,570	2,656	890	2,691	141	141	2,863			0
383-0103			MAHAWELI DOWNSTREAM SUPPORT													
	FN G		87 92	4,976	4,976	2,000*		476		100	2,976					
	FN L		87 92	6,024	6,024	5,062*		1,143			962					
	PROJECT TOTAL:			11,000	11,000	7,062	0	1,619	0	100	3,938	0	0			0
383-0107			REHABILITATION ASSISTANCE													
	FN G		88 91	45,378	20,388	20,388		1,523		2,068						
383-0108			TECH. INITIATIVE FOR PRIVATE SECTOR													
	FN G		91 96	5,000	5,000	2,454	820	725	1,726	1,634			1,775			
	EH G		91 96	3,000	1,000						1,000	700	500	300		
	SD G		91 96	4,000	6,000	2,460		1,230	1,828	1,966	1,712	800	1,225	912		
	PROJECT TOTAL:			12,000	12,000	4,914	820	1,955	3,554	3,600	2,712	1,500	3,500	1,212		
383-0109			NATURAL RESOURCES & ENVIRONMENTAL POLICY													
	FN G		90 97	12,000	19,000	5,050	868	1,794	2,400	2,944	10,682	3,000	4,094	5,000		
383-C111			AGRO ENTERPRISES													
	FN G		92 97	14,000	14,000		4,500			1,395	9,500	1,700	2,950	4,000		
383-0113			LAND AND WATER RESOURCES													
	FN G		92 95													

TABLE IV : PROJECT BUDGET DATA (U.S. \$000)

PROJECT NUMBER	FUND SRC	NPA IND	OBLIG	DATE	--TOTAL COST-- AUTH	PLAN	OBLIG	--FY 1992 EST.--	OBLIG	FY 1993 PLANNED-----	OBLIG	PROP.-	FY 1995		
			INIT/FINAL	THRU			ATIONS	EXPEND	ATIONS	EXPEND	YR END	ATIONS	EXPEND	OBLIG	PROP
							FY 1991	ATIONS	ITURES	ATIONS	ITURES	MORTGAGE	ATIONS	ITURES	
<hr/>															
383-0117			MAHAWELI BASIN DEVELOPMENT III												
	FN	G		91 91	15,000	15,000	15,000								
383-0118			PROMOTION OF PRIVATE INFRASTRUCTURE												
	FN	G	PA	92 95		750		674		76	674			76	
	HE	G	PA	92 95		750		200		500	200	50	50	400	
	EH	G	PA	92 95		1,000				434		566	266	400	300
	SD	G	PA	92 95		5,500		. 8		2,310	1,074	2,562	1,384	1,574	1,178
	PROJECT TOTAL:				0	8,000	0	1,502	0	3,320	1,948	3,178	1,700	2,450	1,478
383-0119			CITIZENS PARTICIPATION												
	FN	G	PA	94 96		6,834							1,200	150	800
	PN	G	PA	94 96		150							150		
	CS	G	PA	94 96		616							616		
	DG	G	PA	94 96		400							200		200
	PROJECT TOTAL:				0	8,000	0	0	0	0	0	0	2,166	150	1,000
383-0120			POLICY REFORM SUPPORT												
	FN	G		94 97		2,000							200		1,300
	SD	G		94 97		2,000									500
	PROJECT TOTAL:				0	4,000	0	0	0	0	0	0	200	0	1,800
383-0121			SUSTAINABLE ENTERPRISE TECHNOLOGY												
	FN	G		95 98		3,000									2,000
	SD	G		95 98		7,000									227
	PROJECT TOTAL:				0	10,000	0	0	0	0	0	0	0	0	2,227
383-P000			PL-480 TITLE III												
	P3	G	P3	92 95											
<hr/>															
REPORT TOTAL:					379,021	377,760	279,022	19,170	31,138	15,364	31,913	42,204	19,000	27,936	19,000

Obligations Thru FY 1991 marked with (*) include Deobligations of Prior Year Obligations

TABLE IV : PROJECT BUDGET DATA (U.S. \$000)

			OBLIG		OBLIG		--FY 1992 EST.--		-----FY 1993 PLANNED-----			--FY 1994 PROP.--		FY 1995
PROJECT	FUND	NPA	DATE	--TOTAL COST--	THRU	OBLIG	EXPEND	OBLIG	EXPEND	YR END	OBLIG	EXPEND	OBLIG	
NUMBER	SRC	IND	INIT/FINAL	AUTH	PLAN	FY 1991	ATIONS	ITURES	ATIONS	ITURES	MORTGAGE	ATIONS	ITURES	PROP

APPROPRIATION SUMMARY

FN									13,562	24,963	6,402	23,396	35,271	12,943	19,502	13,907
PN									0	94	0	0	-137	150	46	0
HE									600	414	500	609	-2,137	50	700	0
CS									0	81	500	204	0	616	90	0
DG									0	0	150	0	0	200	50	200
EH									1,100	278	2,434	1,085	1,716	1,116	2,476	600
SD									3,908	5,308	5,378	6,619	7,491	3,925	5,072	4,293
P3									0	0	0	0	0	0	0	0
REPORT TOTAL:									19,170	31,138	15,364	31,913	42,204	19,000	27,936	19,000

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AC/SI SUMMARY REPORT
(U.S. Dollars Thousands)

	% FY92	% FY93	% FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
 PROJECT NUMBER: 383-0083 TITLE: AGRICULTURE PLANNING AND ANALYSIS							
AGPP AGRICULTURAL POLICIES & PLANNING							
SI CODE: APP	80 %			384			
SI CODE: TTH	10 %			48			
SI CODE: TUS	20 %			96			
TOTAL AC CODE:	100 %			480			
PROJECT TOTAL	100 %			480	0	0	0
 PROJECT NUMBER: 383-0085 TITLE: DEVELOPMENT STUDIES AND TRAINING							
PRNS POLICY REFORM, NONSECTORAL N.E.C							
SI CODE: EPR	100 %			550			
SI CODE: PBL	100 %			550			
SI CODE: TPU	100 %			550			
SI CODE: TTH	25 %			137			
SI CODE: TUS	50 %			275			
TOTAL AC CODE:	100 %			550			
PROJECT TOTAL	100 %			550	0	0	0
 PROJECT NUMBER: 383-0086 TITLE: MAHAWELI AG AND RURAL DEVELOPMENT							
AGAB AGRIBUSINESS							
SI CODE: COP	50 %	50 %	0 %	105	165		
SI CODE: PBL	0 %	0 %	10 %			39	8
SI CODE: PRT	0 %	0 %	90 %			354	72
SI CODE: PSD	100 %	100 %	100 %	210	330	394	80
SI CODE: RUR	100 %	100 %	100 %	210	330	394	80
SI CODE: WDI	10 %	10 %	0 %	21	33		
TOTAL AC CODE:	20 %	15 %	10 %	210	330	394	80
AGCP CROP PRODUCTION							
SI CODE: ALT	10 %	10 %	0 %	26	55		
SI CODE: BDV	0 %	20 %	0 %		110		
SI CODE: ESA	100 %	100 %	100 %	262	550	788	161
SI CODE: IAS	20 %	20 %	100 %	52	110	788	161
SI CODE: IRR	20 %	30 %	30 %	52	165	236	48
SI CODE: PST	20 %	20 %	10 %	52	110	78	16

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AC/SI SUMMARY REPORT
(U.S. Dollars Thousands)

	% FY92	% FY93	% FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
SI CODE: RAG	30 %	20 %	10 %	78	110	78	16
SI CODE: RUR	100 %	100 %	100 %	262	550	788	161
SI CODE: TFE	0 %	0 %	30 %			236	48
SI CODE: TMA	0 %	0 %	70 %			552	112
SI CODE: WDI	20 %	20 %	0 %	52	110		
TOTAL AC CODE:	25 %	25 %	20 %	262	550	788	161
AGIF AGRICULTURAL INFRASTRUCTURE							
SI CODE: CON	0 %	0 %	50 %			394	80
SI CODE: IAS	0 %	0 %	100 %			788	161
SI CODE: INS	0 %	0 %	20 %			157	32
SI CODE: IRR	80 %	90 %	90 %	210	594	709	145
SI CODE: PVX	0 %	0 %	50 %			394	80
SI CODE: RUR	100 %	100 %	100 %	262	660	788	161
SI CODE: WTL	40 %	50 %	0 %	105	330		
TOTAL AC CODE:	25 %	30 %	20 %	262	660	788	161
AGLP LIVESTOCK PRODUCTION							
SI CODE: RUR	100 %	0 %	0 %	105			
TOTAL AC CODE:	10 %	0 %	0 %	105			
AGPM PEST MANAGEMENT							
SI CODE: ESA	0 %	0 %	100 %			394	80
SI CODE: IAS	0 %	0 %	100 %			394	80
SI CODE: PST	100 %	100 %	100 %	105	440	394	80
SI CODE: RAG	50 %	50 %	50 %	52	220	197	40
SI CODE: RUR	100 %	100 %	100 %	105	440	394	80
TOTAL AC CODE:	10 %	20 %	10 %	105	440	394	80
AGTD AGRICULTURAL TRAINING AND EXTENSION							
SI CODE: ESA	30 %	30 %	0 %	31	66		
SI CODE: IAS	10 %	30 %	0 %	10	66		
SI CODE: IRR	10 %	10 %	0 %	10	22		
SI CODE: PST	10 %	10 %	0 %	10	22		
SI CODE: REF	10 %	10 %	0 %	10	22		
SI CODE: RUR	100 %	100 %	0 %	105	220		
SI CODE: TIC	30 %	30 %	0 %	31	66		
SI CODE: TTH	50 %	50 %	0 %	52	110		
SI CODE: TUS	20 %	20 %	0 %	21	44		
SI CODE: WTL	10 %	10 %	0 %	10	22		
TOTAL AC CODE:	10 %	10 %	0 %	105	220		

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AC/SI SUMMARY REPORT
(U.S. Dollars Thousands)

	% FY92	% FY93	% FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
DICS CIVIL SOCIETY							
SI CODE: INS	0 %	0 %	100 %			985	201
SI CODE: PRT	0 %	0 %	100 %			985	201
SI CODE: PSD	0 %	0 %	100 %			985	201
SI CODE: PVL	0 %	0 %	100 %			985	201
SI CODE: RUR	0 %	0 %	100 %			985	201
SI CODE: TFE	0 %	0 %	30 %			295	60
SI CODE: TMA	0 %	0 %	70 %			690	141
SI CODE: WDI	0 %	0 %	40 %			394	80
TOTAL AC CODE:	0 %	0 %	25 %			985	201
EVFR FORESTRY							
SI CODE: AGF	0 %	0 %	100 %			591	121
SI CODE: BDV	0 %	0 %	20 %			118	24
SI CODE: EFW	0 %	0 %	20 %			118	24
SI CODE: ESA	0 %	0 %	100 %			591	121
SI CODE: EVP	0 %	0 %	25 %			147	30
SI CODE: IAS	0 %	0 %	20 %			118	24
SI CODE: PVL	0 %	0 %	30 %			177	36
SI CODE: RAG	0 %	0 %	100 %			591	121
SI CODE: RUR	0 %	0 %	100 %			591	121
SI CODE: UNV	0 %	0 %	100 %			591	121
SI CODE: WTL	0 %	0 %	20 %			118	24
TOTAL AC CODE:	0 %	0 %	15 %			591	121
PROJECT TOTAL	100 %	100 %	100 %	1,050	2,200	3,943	807
PROJECT NUMBER: 383-0090 TITLE: MAHAWELI ENTERPRISE DEVELOPMENT							
AGAB AGRIBUSINESS							
SI CODE: ALT	0 %	0 %	20 %			174	
SI CODE: ESA	0 %	0 %	20 %			174	
SI CODE: INS	0 %	0 %	30 %			261	
SI CODE: PBL	0 %	0 %	100 %			870	
SI CODE: PSD	100 %	100 %	100 %	1,500		870	
SI CODE: RUR	80 %	80 %	100 %	1,200		870	
SI CODE: TFE	0 %	0 %	10 %			87	
SI CODE: TMA	0 %	0 %	10 %			87	
SI CODE: TWN	20 %	20 %	0 %	300			
SI CODE: WDI	20 %	20 %	0 %	300			
TOTAL AC CODE:	50 %	50 %	30 %	1,500		870	

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AC/SI SUMMARY REPORT
(U.S. Dollars Thousands)

	% FY92	% FY93	% FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
AGRM RESOURCE MGMT FOR AGRIC. PRODUCTION & PRODUCTIVITY							
SI CODE: EVP	0 %	0 %	60 %			174	
SI CODE: INS	0 %	0 %	100 %			290	
SI CODE: PSD	0 %	0 %	100 %			290	
SI CODE: RUR	0 %	0 %	100 %			290	
TOTAL AC CODE:	0 %	0 %	10 %			290	
DICS CIVIL SOCIETY							
SI CODE: INS	0 %	0 %	100 %			435	
SI CODE: PRT	0 %	0 %	100 %			435	
SI CODE: PVL	0 %	0 %	50 %			217	
SI CODE: PVX	0 %	0 %	50 %			217	
SI CODE: RUR	0 %	0 %	100 %			435	
TOTAL AC CODE:	0 %	0 %	15 %			435	
PEBD BUSINESS DEVELOPMENT PROMOTION							
SI CODE: INS	0 %	0 %	50 %			652	
SI CODE: PBL	0 %	0 %	100 %			1,305	
SI CODE: PSD	100 %	100 %	100 %	1,500		1,305	
SI CODE: RUR	80 %	80 %	100 %	1,200		1,305	
SI CODE: TMA	0 %	0 %	10 %			130	
SI CODE: TWN	20 %	20 %	0 %	300			
TOTAL AC CODE:	50 %	50 %	45 %	1,500		1,305	
PROJECT TOTAL	100 %	100 %	100 %	3,000	0	2,900	0
PROJECT NUMBER: 383-0100 TITLE: PRIVATE SECTOR POLICY SUPPORT							
DICS CIVIL SOCIETY							
SI CODE: INS	0 %	60 %	0 %		180		
SI CODE: SPR	0 %	50 %	0 %		150		
SI CODE: TIC	0 %	20 %	0 %		60		
TOTAL AC CODE:	0 %	10 %	0 %		300		
DIFM ACCOUNTABILITY OF THE EXECUTIVE							
SI CODE: INS	0 %	0 %	50 %			87	73
SI CODE: TIC	0 %	0 %	10 %			17	14
SI CODE: TUS	0 %	0 %	20 %			35	29
TOTAL AC CODE:	0 %	0 %	10 %			175	147

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AC/SI SUMMARY REPORT
(U.S. Dollars Thousands)

	% FY92	% FY93	% FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
DIME FREE FLOW OF INFORMATION							
SI CODE: INS	0 %	10 %	80 %		45	140	118
SI CODE: PNP	0 %	100 %	100 %		450	175	147
SI CODE: TUS	0 %	20 %	20 %		90	35	29
TOTAL AC CODE:	0 %	15 %	10 %		450	175	147
PEBD BUSINESS DEVELOPMENT PROMOTION							
SI CODE: INS	10 %	10 %	10 %	217	105	17	14
SI CODE: PBL	40 %	0 %	0 %	869			
SI CODE: PRT	60 %	60 %	60 %	1,304	630	105	88
SI CODE: PSD	100 %	100 %	100 %	2,173	1,050	175	147
SI CODE: SPR	40 %	0 %	0 %	869			
SI CODE: TIC	0 %	10 %	10 %		105	17	14
SI CODE: TUS	0 %	10 %	10 %		105	17	14
TOTAL AC CODE:	45 %	35 %	10 %	2,173	1,050	175	147
PEFM FINANCIAL MARKETS							
SI CODE: INS	15 %	15 %	10 %	166	90	105	88
SI CODE: PBL	50 %	50 %	30 %	555	300	315	265
SI CODE: PNP	20 %	50 %	30 %	222	300	315	265
SI CODE: PRT	50 %	50 %	30 %	555	300	315	265
SI CODE: PSD	15 %	15 %	15 %	166	90	157	132
SI CODE: SPR	15 %	15 %	15 %	166	90	157	132
SI CODE: TIC	0 %	10 %	10 %		60	105	88
SI CODE: TPV	10 %	0 %	0 %	111			
TOTAL AC CODE:	23 %	20 %	60 %	1,110	600	1,050	885
PRNS POLICY REFORM, NONSECTORAL N.E.C							
SI CODE: INS	10 %	10 %	10 %	96	30	17	14
SI CODE: PNP	10 %	10 %	50 %	96	30	87	73
SI CODE: PRT	100 %	100 %	50 %	966	300	87	73
SI CODE: PSD	10 %	70 %	50 %	96	210	87	73
SI CODE: TIC	0 %	10 %	10 %		30	17	14
SI CODE: TUS	0 %	10 %	10 %		30	17	14
TOTAL AC CODE:	20 %	10 %	10 %	966	300	175	147
PSMG PUBLIC SECTOR ADMINISTRATION AND MANAGEMENT							
SI CODE: PBL	50 %	50 %	0 %	289	150		
SI CODE: PRT	50 %	50 %	0 %	289	150		

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AC/SI SUMMARY REPORT
(U.S. Dollars Thousands)

	% FY92	% FY93	% FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
SI CODE: PSD	15 %	15 %	0 %	86	45		
SI CODE: SPR	15 %	15 %	0 %	86	45		
TOTAL AC CODE:	12 %	10 %	0 %	579	300		
PROJECT TOTAL	100 %	100 %	100 %	4,830	3,000	1,750	1,476
PROJECT NUMBER: 383-0101 TITLE: PVO CO-FINANCING II							
AGAB AGRIBUSINESS							
SI CODE: PVL	50 %	50 %	0 %	204			
SI CODE: PVU	35 %	35 %	100 %			141	
SI CODE: RUR	100 %	100 %	100 %	408		141	
TOTAL AC CODE:	26 %	0 %	100 %	408		141	
DICS CIVIL SOCIETY							
SI CODE: PVL	14 %	14 %	0 %	32			
SI CODE: PVU	86 %	86 %	0 %	202			
SI CODE: TIC	10 %	10 %	0 %	23			
TOTAL AC CODE:	15 %	0 %	0 %	235			
HEHA HIV/AIDS							
SI CODE: PVL	0 %	100 %	0 %		204		
SI CODE: RUR	0 %	50 %	0 %		102		
SI CODE: TIC	0 %	10 %	0 %		20		
SI CODE: TWN	0 %	50 %	0 %		102		
TOTAL AC CODE:	0 %	23 %	0 %		204		
HESD HEALTH SYSTEMS DEVELOPMENT							
SI CODE: PSD	30 %	30 %	0 %	61			
SI CODE: PVL	100 %	100 %	0 %	204			
SI CODE: RUR	50 %	50 %	0 %	102			
SI CODE: TWN	50 %	50 %	0 %	102			
TOTAL AC CODE:	13 %	0 %	0 %	204			
HEWH WATER QUALITY HEALTH							
SI CODE: PVL	100 %	100 %	100 %	94			
SI CODE: RUR	100 %	100 %	100 %	94			
TOTAL AC CODE:	6 %	0 %	0 %	94			
ORDC ORPHANS/DISPLACED CHILDREN							

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AC/SI SUMMARY REPORT
(U.S. Dollars Thousands)

	% FY92	% FY93	% FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
SI CODE: CHS	0 %	100 %	0 %		685		
SI CODE: PVL	0 %	75 %	0 %		513		
SI CODE: PVU	0 %	25 %	0 %		171		
SI CODE: RUR	0 %	100 %	0 %		685		
TOTAL AC CODE:	0 %	77 %	0 %		685		
PEBD BUSINESS DEVELOPMENT PROMOTION							
SI CODE: PVL	50 %	50 %	50 %	314			
SI CODE: PVU	50 %	50 %	50 %	314			
SI CODE: RUR	100 %	100 %	100 %	628			
TOTAL AC CODE:	40 %	0 %	0 %	628			
PROJECT TOTAL	100 %	100 %	100 %	1,570	890	141	0

PROJECT NUMBER: 383-0108 TITLE: TECH. INITIATIVE FOR PRIVATE SECTOR

EVUP URBAN AND INDUSTRIAL POLLUTION

SI CODE: CIT	0 %	0 %	65 %			97	78
SI CODE: PSD	100 %	100 %	100 %	82	355	150	121
SI CODE: RUR	50 %	50 %	0 %	41	177		
SI CODE: SPR	0 %	0 %	10 %			15	12
SI CODE: TFE	25 %	25 %	0 %	20	88		
SI CODE: TMA	25 %	25 %	0 %	20	88		
SI CODE: TPV	50 %	50 %	0 %	41	177		
SI CODE: TTH	15 %	15 %	0 %	12	53		
SI CODE: TUS	20 %	20 %	0 %	16	71		
SI CODE: TWN	50 %	50 %	35 %	41	177	52	42
TOTAL AC CODE:	10 %	10 %	10 %	82	355	150	121

PEBD BUSINESS DEVELOPMENT PROMOTION

SI CODE: PSD	100 %	100 %	100 %	492	2,132	1,200	969
SI CODE: RUR	50 %	50 %	50 %	246	1,066	600	484
SI CODE: SPR	0 %	0 %	10 %			120	96
SI CODE: TFE	25 %	25 %	0 %	123	533		
SI CODE: TMA	25 %	25 %	0 %	123	533		
SI CODE: TPV	50 %	50 %	0 %	246	1,066		
SI CODE: TTH	15 %	15 %	0 %	73	319		
SI CODE: TUS	20 %	20 %	0 %	98	426		
SI CODE: TWN	50 %	50 %	50 %	246	1,066	600	484
TOTAL AC CODE:	60 %	60 %	80 %	492	2,132	1,200	969

PETI TRADE AND INVESTMENT PROMOTION

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AC/SI SUMMARY REPORT
(U.S. Dollars Thousands)

	% FY92	% FY93	% FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
SI CODE: PSD	100 %	100 %	100 %	246	1,066	150	121
SI CODE: RUR	50 %	50 %	50 %	123	533	75	60
SI CODE: SPR	0 %	0 %	10 %			15	12
SI CODE: TIP	100 %	100 %	100 %	246	1,066	150	121
SI CODE: TWN	50 %	50 %	50 %	123	533	75	60
TOTAL AC CODE:	30 %	30 %	10 %	246	1,066	150	121
PROJECT TOTAL	100 %	100 %	100 %	820	3,554	1,500	1,212

PROJECT NUMBER: 383-0109 TITLE: NATURAL RESOURCES & ENVIRONMENTAL POLICY

AGPP AGRICULTURAL POLICIES & PLANNING

SI CODE: APP	100 %	100 %	0 %	60	168		
SI CODE: DEC	30 %	30 %	0 %	18	50		
SI CODE: EPR	10 %	10 %	0 %	6	16		
SI CODE: ESA	50 %	50 %	0 %	30	84		
SI CODE: INS	20 %	80 %	0 %	12	134		
SI CODE: PBL	80 %	40 %	0 %	48	67		
SI CODE: PRT	20 %	60 %	0 %	12	100		
SI CODE: RSS	10 %	10 %	0 %	6	16		
SI CODE: RUR	90 %	90 %	0 %	54	151		
SI CODE: SPR	90 %	90 %	0 %	54	151		
SI CODE: TFL	10 %	10 %	0 %	6	33		
SI CODE: TMA	10 %	10 %	0 %	6	16		
SI CODE: TTH	10 %	10 %	0 %	6	16		
SI CODE: TUS	10 %	10 %	0 %	6	16		
SI CODE: TWN	10 %	10 %	0 %	6	16		

TOTAL AC CODE: 7 % 7 % 0 % 60 168

AGRM RESOURCE MGMT FOR AGRIC. PRODUCTION & PRODUCTIVITY

SI CODE: AGF	0 %	20 %	70 %		67	210	350
SI CODE: ALT	20 %	40 %	20 %	24	134	60	100
SI CODE: DEC	30 %	30 %	30 %	36	100	90	150
SI CODE: EPR	10 %	10 %	10 %	12	33	30	50
SI CODE: ESA	50 %	50 %	50 %	60	168	150	250
SI CODE: INS	20 %	20 %	20 %	24	67	60	100
SI CODE: NFM	0 %	0 %	30 %			90	150
SI CODE: PBL	80 %	40 %	40 %	97	134	120	200
SI CODE: PRT	20 %	60 %	60 %	24	201	180	300
SI CODE: PVL	50 %	50 %	50 %	60	168	150	250
SI CODE: PVX	10 %	10 %	10 %	12	33	30	50
SI CODE: RAG	0 %	0 %	10 %			30	50

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	% FY92	% FY93	% FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
SI CODE: RDC	0 %	0 %	60 %			180	300
SI CODE: RSS	10 %	10 %	30 %	12	33	90	150
SI CODE: RUR	90 %	90 %	90 %	109	302	270	450
SI CODE: SPR	90 %	90 %	90 %	109	302	270	450
SI CODE: TFE	10 %	10 %	10 %	12	33	30	50
SI CODE: TMA	10 %	10 %	10 %	12	33	30	50
SI CODE: TTH	10 %	10 %	10 %	12	33	30	50
SI CODE: TUS	10 %	10 %	10 %	12	33	30	50
SI CODE: TWN	10 %	10 %	10 %	12	33	30	50
SI CODE: WDI	0 %	0 %	30 %			90	150
SI CODE: WDP	0 %	0 %	30 %			90	150
TOTAL AC CODE:	14 %	14 %	10 %	121	336	300	500
DICS CIVIL SOCIETY							
SI CODE: APP	0 %	50 %	50 %			225	375
SI CODE: EVP	0 %	10 %	10 %			45	75
SI CODE: INS	0 %	20 %	40 %			180	300
SI CODE: NFM	0 %	30 %	30 %			135	225
SI CODE: PVL	0 %	10 %	10 %			45	75
TOTAL AC CODE:	0 %	0 %	15 %			450	750
EVMP ENVIRONMENTAL MGMT, PLANNING AND POLICY							
SI CODE: ARC	18 %	18 %	18 %	81	224	270	450
SI CODE: BDV	16 %	16 %	16 %	72	199	240	400
SI CODE: CLZ	13 %	13 %	13 %	58	162	195	325
SI CODE: DEC	10 %	10 %	10 %	45	124	150	250
SI CODE: ESA	18 %	18 %	18 %	81	224	270	450
SI CODE: EVP	14 %	14 %	14 %	63	174	210	350
SI CODE: INS	80 %	80 %	80 %	361	998	1,200	2,000
SI CODE: PBL	74 %	74 %	74 %	334	923	1,110	1,850
SI CODE: PRT	10 %	10 %	10 %	45	124	150	250
SI CODE: PVL	13 %	13 %	13 %	58	162	195	325
SI CODE: PVX	15 %	20 %	10 %	67	249	150	250
SI CODE: RUR	40 %	40 %	40 %	180	499	600	1,000
SI CODE: SPR	48 %	48 %	48 %	216	599	720	1,200
SI CODE: TIC	44 %	44 %	44 %	198	549	660	1,100
SI CODE: TPU	72 %	72 %	72 %	324	898	1,080	1,800
SI CODE: TPV	15 %	15 %	15 %	67	187	225	375
SI CODE: WDI	0 %	0 %	30 %			450	750
SI CODE: WDP	0 %	0 %	30 %			450	750
TOTAL AC CODE:	52 %	52 %	50 %	451	1,248	1,500	2,500
EVUP URBAN AND INDUSTRIAL POLLUTION							

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AC/SI SUMMARY REPORT
(U.S. Dollars Thousands)

	% FY92	% FY93	% FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
SI CODE: CIT	50 %	50 %	50 %	69	192	225	375
SI CODE: TIC	23 %	23 %	23 %	31	88	103	172
TOTAL AC CODE:	16 %	16 %	15 %	138	384	450	750
EVWR WATER RESOURCES MANAGEMENT							
SI CODE: AGF	0 %	0 %	50 %			150	250
SI CODE: ARC	50 %	50 %	50 %	47	132	150	250
SI CODE: DEC	30 %	30 %	30 %	28	79	90	150
SI CODE: EPR	10 %	10 %	10 %	9	26	30	50
SI CODE: ESA	50 %	50 %	50 %	47	132	150	250
SI CODE: EVP	40 %	40 %	40 %	38	105	120	200
SI CODE: INS	20 %	20 %	20 %	19	52	60	100
SI CODE: IRR	100 %	100 %	100 %	95	264	300	500
SI CODE: NFM	0 %	0 %	50 %			150	250
SI CODE: PBL	80 %	80 %	80 %	76	211	240	400
SI CODE: PRT	20 %	20 %	20 %	19	52	60	100
SI CODE: PVL	50 %	50 %	50 %	47	132	150	250
SI CODE: ROR	0 %	0 %	60 %			180	300
SI CODE: RSS	10 %	10 %	10 %	9	26	30	50
SI CODE: RUR	90 %	90 %	90 %	85	237	270	450
SI CODE: SPR	90 %	90 %	90 %	85	237	270	450
SI CODE: TFE	10 %	10 %	10 %	9	26	30	50
SI CODE: TMA	10 %	10 %	10 %	9	26	30	50
SI CODE: TTH	10 %	10 %	10 %	9	26	30	50
SI CODE: TUS	10 %	10 %	10 %	9	26	30	50
SI CODE: TWN	10 %	10 %	10 %	9	26	30	50
SI CODE: WDI	0 %	0 %	30 %			90	150
SI CODE: WDP	0 %	0 %	30 %			90	150
TOTAL AC CODE:	11 %	11 %	10 %	95	264	300	500
PROJECT TOTAL	100 %	100 %	100 %	868	2,400	3,000	5,000

PROJECT NUMBER: 383-0111 TITLE: AGRO ENTERPRISES

AGAB AGRIBUSINESS

SI CODE: ESA	0 %	0 %	20 %			170	400
SI CODE: IAS	0 %	0 %	30 %			255	600
SI CODE: INS	0 %	0 %	80 %			680	1,600
SI CODE: PRT	100 %	100 %	100 %	2,700		850	2,000
SI CODE: PSD	100 %	100 %	100 %	2,700		850	2,000
SI CODE: PST	0 %	0 %	10 %			85	200
SI CODE: PVL	0 %	0 %	15 %			127	300

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AC/SI SUMMARY REPORT
(U.S. Dollars Thousands)

	% FY92	% FY93	% FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
SI CODE: RAG	0 %	0 %	20 %			170	400
SI CODE: RDV	60 %	60 %	0 %	1,620			
SI CODE: RUR	60 %	60 %	80 %	1,620		680	1,600
SI CODE: TMA	0 %	0 %	10 %			85	200
SI CODE: TTH	10 %	10 %	0 %	270			
SI CODE: TWN	40 %	40 %	20 %	1,080		170	400
SI CODE: WDI	0 %	0 %	20 %			170	400
SI CODE: XII	100 %	100 %	100 %	2,700		850	2,000
TOTAL AC CODE:	60 %	60 %	50 %	2,700		850	2,000
AGPM PEST MANAGEMENT							
SI CODE: INS	0 %	0 %	100 %			255	600
SI CODE: PST	0 %	0 %	100 %			255	600
SI CODE: RAG	0 %	0 %	30 %			76	180
SI CODE: RUR	0 %	0 %	50 %			127	300
SI CODE: TWN	0 %	0 %	50 %			127	300
SI CODE: XII	0 %	0 %	100 %			255	600
TOTAL AC CODE:	0 %	0 %	15 %			255	600
AGPP AGRICULTURAL POLICIES & PLANNING							
SI CODE: ALT	0 %	0 %	20 %			51	120
SI CODE: ESA	0 %	0 %	20 %			51	120
SI CODE: EVP	0 %	0 %	30 %			76	180
SI CODE: INS	0 %	0 %	100 %			255	600
SI CODE: PRT	0 %	0 %	100 %			255	600
SI CODE: PSD	100 %	100 %	100 %	450		255	600
SI CODE: PST	0 %	0 %	20 %			51	120
SI CODE: RUR	0 %	0 %	100 %			255	600
SI CODE: XII	0 %	0 %	100 %			255	600
TOTAL AC CODE:	10 %	10 %	15 %	450		255	600
AGTD AGRICULTURAL TRAINING AND EXTENSION							
SI CODE: ESA	0 %	0 %	30 %			51	120
SI CODE: IAS	0 %	0 %	30 %			51	120
SI CODE: INS	0 %	0 %	100 %			170	400
SI CODE: PRT	0 %	0 %	100 %			170	400
SI CODE: PSD	100 %	100 %	100 %	450		170	400
SI CODE: RUR	0 %	0 %	100 %			170	400
SI CODE: TFE	0 %	0 %	20 %			34	80
SI CODE: TIC	50 %	50 %	50 %	225		85	200
SI CODE: TMA	0 %	0 %	30 %			51	120

ACTS. SUMMARY REPORT
(U.S. Dollars Thousands)

	FY92	FY93	FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
SI CODE: WDI	0 %	0 %	25 %			42	100
SI CODE: XII	0 %	0 %	100 %			170	400
TOTAL AC CODE:	10 %	10 %	10 %	450		170	400
PEBD BUSINESS DEVELOPMENT PROMOTION							
SI CODE: PSD	100 %	100 %	100 %	450		170	400
SI CODE: RUR	0 %	0 %	80 %			136	320
SI CODE: TWN	0 %	0 %	20 %			34	80
SI CODE: XII	0 %	0 %	100 %			170	400
TOTAL AC CODE:	10 %	10 %	10 %	450		170	400
PEFM FINANCIAL MARKETS							
SI CODE: INS	100 %	100 %	100 %	450			
SI CODE: PSD	100 %	100 %	0 %	450			
TOTAL AC CODE:	10 %	10 %	0 %	450			
PROJECT TOTAL	100 %	100 %	100 %	4,500	0	1,700	4,000

PROJECT NUMBER: 383-0118 TITLE: PROMOTION OF PRIVATE INFRASTRUCTURE

DIME FREE FLOW OF INFORMATION

SI CODE: CIT	0 %	0 %	50 %			85	73
SI CODE: RUR	0 %	0 %	50 %			85	73
SI CODE: TPU	0 %	0 %	50 %			85	73
SI CODE: TPV	0 %	0 %	50 %			85	73
TOTAL AC CODE:	0 %	10 %	10 %		332	170	147

EVUP URBAN AND INDUSTRIAL POLLUTION

SI CODE: CIT	0 %	40 %	100 %	265	340	295
SI CODE: CON	0 %	10 %	0 %	66		
SI CODE: CPF	0 %	40 %	0 %	265		
SI CODE: CPS	0 %	0 %	20 %		68	59
SI CODE: INS	0 %	0 %	30 %		102	88
SI CODE: SPR	0 %	0 %	30 %		102	88
SI CODE: TIC	0 %	0 %	20 %		68	59
SI CODE: TPU	0 %	0 %	80 %		272	236
SI CODE: TPV	0 %	0 %	20 %		68	59
SI CODE: TTH	0 %	0 %	30 %		102	88
SI CODE: TUS	0 %	0 %	50 %		170	147
TOTAL AC CODE:	0 %	20 %	20 %	664	340	295

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AC/SA SUMMARY REPORT
(U.S. Dollars Thousands)

	% FY92	% FY93	% FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
INCO TELECOMMUNICATIONS							
SI CODE: CON	20 %	20 %	0 %	30			
SI CODE: INS	30 %	30 %	0 %	45			
TOTAL AC CODE:	10 %	0 %	0 %	150			
INOC CONSTRUCTION (EXCLUDING CONSTR. ACTIVITIES E.C.)							
SI CODE: CIT	30 %	40 %	0 %	45	132		
SI CODE: CON	0 %	10 %	50 %		33	85	73
SI CODE: CPF	5 %	20 %	75 %	7	66	127	110
SI CODE: CPS	0 %	0 %	80 %			136	118
SI CODE: INS	0 %	0 %	30 %			51	44
SI CODE: SPR	0 %	0 %	20 %			34	29
TOTAL AC CODE:	10 %	10 %	10 %	150	332	170	147
INPO POWER (EXCLUDING RURAL ELECTRIFICATION)							
SI CODE: CIT	20 %	30 %	50 %	90	498	425	369
SI CODE: CON	10 %	60 %	0 %	45	996		
SI CODE: CPS						425	369
SI CODE: ERN						170	147
SI CODE: INS						255	221
SI CODE: PSD						170	147
SI CODE: RCR				45	498	425	369
SI CODE: SPR						255	221
SI CODE: TIC	5 %		20 %			170	147
SI CODE: TPU	0 %	0 %	80 %			680	591
SI CODE: TPV	0 %	0 %	20 %			170	147
SI CODE: TTH	0 %	0 %	30 %			255	221
SI CODE: TUS	0 %	0 %	50 %			425	369
TOTAL AC CODE:	30 %	50 %	50 %	450	1,660	850	739
PEFM FINANCIAL MARKETS							
SI CODE: CPS	0 %	0 %	10 %			17	14
SI CODE: INS	0 %	0 %	50 %			85	73
SI CODE: PSD	0 %	0 %	100 %			170	147
SI CODE: SPR	0 %	0 %	50 %			85	73
SI CODE: TIC	0 %	0 %	20 %			34	29
SI CODE: TPU	0 %	0 %	50 %			85	73
SI CODE: TPV	0 %	0 %	50 %			85	73
SI CODE: TTH	0 %	0 %	30 %			51	44
SI CODE: TUS	0 %	0 %	50 %			85	73
TOTAL AC CODE:	0 %	10 %	10 %		332	170	147

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AC/SI SUMMARY REPORT
(U.S. Dollars Thousands)

	% FY92	% FY93	% FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
PETI TRADE AND INVESTMENT PROMOTION							
SI CODE: CPF	25 %	0 %	0 %	187			
SI CODE: CPS	50 %	0 %	0 %	375			
SI CODE: INS	25 %	0 %	0 %	187			
SI CODE: PSD	50 %	0 %	0 %	375			
SI CODE: TIP	50 %	0 %	0 %	375			
TOTAL AC CODE:	50 %	0 %	0 %	751			
PROJECT TOTAL	100 %	100 %	100 %	1,502	3,320	1,700	1,418
PROJECT NUMBER: 383-0119 TITLE: CITI/ENS PARTICIPATION							
DICS CIVIL SOCIETY							
SI CODE: PVL		30 %			454	210	
SI CODE: PVU		70 %			1,061	489	
SI CODE: RUR		70 %			1,061	489	
SI CODE: TWN		30 %			454	210	
SI CODE: WDI		25 %			379	175	
SI CODE: WDP		25 %			379	175	
TOTAL AC CODE:		70 %			1,516	700	
HEHA HIV/AIDS							
SI CODE: PVL		30 %			64	30	
SI CODE: PVU		70 %			151	70	
SI CODE: RUR		20 %			43	20	
SI CODE: TWN		80 %			173	80	
TOTAL AC CODE:		10 %			216	100	
ORDC ORPHANS/DISPLACED CHILDREN							
SI CODE: PVL		10 %			21	10	
SI CODE: PVU		90 %			194	90	
TOTAL AC CODE:		10 %			216	100	
PNSD FAMILY PLANNING SERVICE DELIVERY							
SI CODE: PVL		100 %			216	100	
SI CODE: RUR		80 %			173	80	
SI CODE: TWN		20 %			43	20	
TOTAL AC CODE:		10 %			216	100	
PROJECT TOTAL		100 %		0	0	2,166	1,000

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	% FY92	% FY93	% FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
PROJECT NUMBER: 383-0120 TITLE: POLICY REFORM SUPPORT							
AGAB AGRIBUSINESS							
SI CODE: PSD			80 %			16	144
TOTAL AC CODE:			10 %			20	180
AGPP AGRICULTURAL POLICIES & PLANNING							
SI CODE: ALT			30 %			12	108
SI CODE: APP			100 %			40	360
SI CODE: EPR			50 %			20	180
SI CODE: INS			50 %			20	180
SI CODE: RUR			80 %			32	288
SI CODE: SPR			50 %			20	180
TOTAL AC CODE:			20 %			40	360
DICS CIVIL SOCIETY							
SI CODE: PNP			100 %			20	180
SI CODE: PRT			100 %			20	180
TOTAL AC CODE:			10 %			20	180
EVMP ENVIRONMENTAL MGMT, PLANNING AND POLICY							
SI CODE: EVP			50 %			30	270
SI CODE: PSD			10 %			6	54
SI CODE: SPR			50 %			30	270
TOTAL AC CODE:			30 %			60	540
PEBD BUSINESS DEVELOPMENT PROMOTION							
SI CODE: EPR			50 %			20	180
SI CODE: PSD			100 %			40	360
SI CODE: TIP			30 %			12	108
TOTAL AC CODE:			20 %			40	360
PSMG PUBLIC SECTOR ADMINISTRATION AND MANAGEMENT							
SI CODE: DEC			20 %			4	36
SI CODE: INS			50 %			10	90
SI CODE: PBL			100 %			20	180
SI CODE: SPR			70 %			14	126
TOTAL AC CODE:			10 %			20	180
PROJECT TOTAL			100 %	0	0	200	1,800

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	% FY92	% FY93	% FY94/95	FY 1992 ESTIMATE	FY 1993 PLANNED	FY 1994 REQUEST	FY 1995 PROPOSED
PROJECT NUMBER: 383-0121 TITLE: SUSTAINABLE ENTERPRISE TECHNOLOGY							
AGAB AGRIBUSINESS							
SI CODE: CIT							445
SI CODE: ESA							556
SI CODE: PRT							1,113
SI CODE: PSD							1,113
SI CODE: RUR							668
TOTAL AC CODE:							1,113
PEBD BUSINESS DEVELOPMENT PROMOTION							
SI CODE: CIT							534
SI CODE: PBL							178
SI CODE: PRT							712
SI CODE: PSD							890
SI CODE: RUR							356
TOTAL AC CODE:							890
PETI TRADE AND INVESTMENT PROMOTION							
SI CODE: PBL							44
SI CODE: PRT							178
SI CODE: PSD							222
SI CODE: TIP							222
TOTAL AC CODE:							222
PROJECT TOTAL				0	0	0	2,227
REPORT TOTAL				19,170	15,364	19,000	19,000

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TABLE V : PROPOSED PROGRAM RANKING

RANK			PROGRAM FUNDING	
			(\$000)	
	PROJECT	TITLE	APPROP	INCR
MCC LEVEL				
	383-0100	PRIVATE SECTOR POLICY SUPPORT	EH	150
	383-0100	PRIVATE SECTOR POLICY SUPPORT	SD	1,600
	383-0101	PVO CO-FINANCING II	SD	141
	383-0118	PROMOTION OF PRIVATE INFRASTRUCTURE	EH	266
	383-0118	PROMOTION OF PRIVATE INFRASTRUCTURE	HE	50
	383-0119	CITIZENS PARTICIPATION	DG	200
	383-0119	CITIZENS PARTICIPATION	PN	150
	383-0108	TECH. INITIATIVE FOR PRIVATE SECTOR	EH	500
	383-0108	TECH. INITIATIVE FOR PRIVATE SECTOR	SD	600
	383-0118	PROMOTION OF PRIVATE INFRASTRUCTURE	SD	534
	383-0111	AGRO ENTERPRISES	FN	1,500
	383-0109	NATURAL RESOURCES & ENVIRONMENTAL POLICY	FN	2,600
	383-0086	MAHAWELI AG AND RURAL DEVELOPMENT	FN	2,293
	383-0119	CITIZENS PARTICIPATION	FN	1,110
	383-0119	CITIZENS PARTICIPATION	CS	156
	383-0090	MAHAWELI ENTERPRISE DEVELOPMENT	FN	2,400
	TOTAL MCC REQUEST			14,250
INCREMENT LEVEL				
1	383-0108	TECH. INITIATIVE FOR PRIVATE SECTOR	EH	200
1	383-0108	TECH. INITIATIVE FOR PRIVATE SECTOR	SD	200
2	383-0118	PROMOTION OF PRIVATE INFRASTRUCTURE	SD	850
3	383-0111	AGRO ENTERPRISES	FN	200
4	383-0120	POLICY REFORM SUPPORT	FN	200
5	383-0109	NATURAL RESOURCES & ENVIRONMENTAL POLICY	FN	400
6	383-0086	MAHAWELI AG AND RURAL DEVELOPMENT	FN	1,650
7	383-0119	CITIZENS PARTICIPATION	FN	90
8	383-0119	CITIZENS PARTICIPATION	CS	460
9	383-0090	MAHAWELI ENTERPRISE DEVELOPMENT	FN	500
	TOTAL INCREMENT REQUEST			4,750
	TOTAL REQUEST			19,000

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TABLE 1, FY 1994 PROGRAM BY STRATEGIC OBJECTIVE ('\$000)

Strategic Objective and Contributing USAID Projects	Policy Area	Base: FY 1994 CP Level	
		100%	75%
1. Increased competitiveness & growth of markets & enterprises	Economic Growth	8,994	6,529
383-0090 Mahaweli Enterprise Development (MED)		2,100	2,000
383-0086 Mahaweli Agriculture & Rural Development (MARD)		1,543	493
383-0100 Private Sector Policy Support (PSPS)		1,150	1,150
383-0101 PVO Co-Financing II (PVO II)		141	141
383-0108 Technology Initiative for Private Sector (TIPS)		1,350	990
383-0109 Natural Resources Environment Project (NAREP)		300	260
383-0111 Agro-Enterprises (AGENT)		1,100	900
383-0118 Promotion of Private Infrastructure (PPI)		1,190	595
383-0120 Policy Reform Support (PRS)		120	0
2. Improved practices for sustained productivity of Natural Resources	Environment	5,050	4,360
383-0090 Mahaweli Enterprise Development (MED)		200	200
383-0086 Mahaweli Agriculture & Rural Development (MARD)		1,400	1,300
383-0108 Technology Initiative for Private Sector (TIPS)		150	110
383-0109 Natural Resources Environment Project (NAREP)		2400	2080
383-0111 Agro-Enterprises (AGENT)		500	500
383-0118 Promotion of Private Infrastructure (PPI)		340	170
383-0120 Policy Reform Support (PRS)		60	0
3. Greater empowerment of broad range of citizens, including vulnerable groups, to participate in development & democracy	Democracy	4,956	3,361
383-0090 Mahaweli Enterprise Development (MED)		600	200
383-0086 Mahaweli Agriculture & Rural Development (MARD)		1,000	500
383-0100 Private Sector Policy Support (PSPS)		600	600
383-0109 Natural Resources Environment Project (NAREP)		300	260
383-0111 Agro-Enterprises (AGENT)		100	100
383-0118 Promotion of Private Infrastructure (PPI)		170	85
383-0119 Citizens Participation (CIPART)		2,166	1,616
383-0120 Policy Reform Support (PRS)		20	0
T o t a l		19,000	14,250

Concept Paper, FY 1994 New Project

POLICY REFORM SUPPORT (PRS) PROJECT

LOP FUNDING: \$4 million

PACD: 2000

Purpose and Background

The purpose of the Policy Reform Support (PRS) Project is to inform and improve the policy reform process in Sri Lanka by increasing opportunities for dialogue, exchange and linkages with international expertise and experience. It will focus on providing analytical resources and technical assistance aimed at addressing: (1) public service and legal/regulatory functions; (2) land and other natural resource policy issues; (3) financial sector reform and liberalization; (4) divestiture and privatization of government assets; and (5) trade, food nutrition and agricultural policy issues. The need for a flexible mechanism for assistance to policy analysts and formulators in Sri Lanka will become acute as a number of USAID/Sri Lanka's sectoral projects come to an end and rural economic growth continues to be constrained by structural distortions. USAID/Sri Lanka, in close concert with other donors, particularly the World Bank and the Asian Development Bank, has closely supported, and in some cases, catalyzed policy changes at the sectoral level through projects such as PSPS, DS&T, APAP, NAREP. The PL-480 Title III program has also been instrumental in leveraging difficult reforms in agriculture and natural resources, and will require continuing analytical and monitoring support from bilateral projects to continue these reforms. PRS will allow the Mission to remain engaged in leveraging important policy reform and implementation in support of sustainable development.

Relation to USAID/Sri Lanka's Strategic Objectives and A.I.D.'s Program Areas

PRS directly supports the following Mission strategic objectives and A.I.D. program areas:

- * Increased Competitiveness and Growth of Markets and Enterprises by decreasing regulatory impediments, transferring productive assets from public to private sector, and opening domestic and international markets corresponding to A.I.D.'s new Economic Growth Policy area.
- * Improved Practices for Sustained Productivity of Natural Resources by encouraging promotion of environmentally-sound investment, by pricing natural resources at real value, and
by improving the performance of public agencies corresponding to A.I.D.'s new Environmental Policy area.
- * Empowering Citizens to Participate in Development and Democracy by bringing citizens into the policy formulation process, by enhancing food security, and by placing land, water, and other resources under local control corresponding

to A.I.D.'s new Democracy Policy.

Expected Outputs

Anticipated outputs for PRS include the following:

- * Policy reform analyses, reports and options papers.
- * Policy reform measures and their implementation.
- * Restructured government agencies.
- * Trained public and private sector policy-makers.

Indicators to Measure Performance Progress

Indicators for project performance include the following:

- * Reduced government control of productive resources.
- * More accessible and efficient financial markets.
- * Improved legal and regulatory performance.
- * More responsive and streamlined government agencies.
- * Expanded competitive trade, particularly in food and agriculture.
- * Sustainable pricing of natural resources and associated services.
- * Autonomous citizen organizations and actions.

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TABLE 2, FY 1995 PROGRAM BY STRATEGIC OBJECTIVE ('\$000)

Strategic Objective and Contributing USAID Projects	Policy Area	Base: 100% FY 1994 CP Level					
		50% of BASE		75% of BASE		100% of BASE	
		Ongoing	New	Ongoing	New	Ongoing	New
1. Increased competitiveness & growth of markets & enterprises	Economic Growth	5,708	0	7,420	194	8,600	1,559
383-0086 Mahaweli Agriculture & Rural Development (MARD)		807		807		807	
383-0100 Private Sector Policy Support (PSPS)		1,276		1,276		1,276	
383-0108 Technology Initiative for Private Sector (TIPS)		1,102		1,102		1,102	
383-0109 Natural Resources Environment Project (NAREP)		248		400		500	
383-0111 Agro-Enterprises (AGENT)		1,300		2,200		2,800	
383-0118 Promotion of Private Infrastructure (PPI)		825		1,035		1,035	
383-0120 Policy Reform Support (PRS)		150		600		1,080	
383-0121 Sustainable Enterprise Technology (SET)			0		194		1,559
2. Improved practices for sustained productivity of Natural Resources	Environment	2,600	0	4,305	83	5,645	668
383-0108 Technology Initiative for Private Sector (TIPS)		110		110		110	
383-0109 Natural Resources Environment Project (NAREP)		1,980		3,200		4,000	
383-0111 Agro-Enterprises (AGENT)		200		400		700	
383-0118 Promotion of Private Infrastructure (PPI)		235		295		295	
383-0120 Policy Reform Support (PRS)		75		300		540	
383-0121 Sustainable Enterprise Technology (SET)			0		83		668
3. Greater empowerment of broad range of citizens, including vulnerable groups, to participate in development & democracy	Democracy	1,192	0	2,248	0	2,528	0
383-0100 Private Sector Policy Support (PSPS)		200		200		200	
383-0109 Natural Resources Environment Project (NAREP)		249		400		500	
383-0111 Agro-Enterprises (AGENT)		300		400		500	
383-0118 Promotion of Private Infrastructure (PPI)		118		148		148	
383-0119 Citizens Participation (CIPART)		300		1,000		1,000	
383-0120 Policy Reform Support (PRS)		25		100		180	
S u b - T o t a l		9,500	0	13,973	277	16,773	2,227
T o t a l		9,500		14,250		19,000	

Concept Paper, FY 1995 New Project

SUSTAINABLE ENTERPRISE TECHNOLOGY (SET) PROJECT

FIRST OBLIGATION: FY95

LOP FUNDING: \$10 million

PACD: 2000

Purpose and Background

The purpose of the Sustainable Enterprise Technology (SET) Project is to support the sustainable and equitable expansion of Sri Lankan private enterprises particularly by improving their performance in selecting acquiring and mastering new management, business production, environmental and marketing technologies. The Project will build on the successful technology transfer and enterprise development mechanisms already tested and refined through USAID's ongoing projects. SET will focus on a demand-driven approach to private enterprise development, by requiring entrepreneurial initiative and significant cost-sharing by beneficiary enterprises.

Relationship to USAID/Sri Lanka's Strategic Objectives and A.I.D.'s Program Areas

SET directly supports the following Mission strategic objectives and A.I.D. program areas:

- * Increased Competitiveness and Growth of Markets and Enterprises - SET will provide direct assistance to rural and urban enterprises in Sri Lanka. Such assistance will assist these enterprises to expand and increase their competitiveness, thus contributing to growth. This directly supports A.I.D.'s new Economic Growth policy area.
- * Improved Practices for Sustained Productivity of Natural Resources - The environmental technology grants component of SET will assist private enterprises in applying new environmentally-sound technology aimed at reducing pollution, wastes and energy losses. Such assistance will help sustain Sri Lanka's natural resource base. This directly supports A.I.D.'s Environment program area.

Expected Outputs

Anticipated outputs for SET include the following:

- * New Technology Acquisition and Application - Cost-sharing grants which will assist private enterprises to choose, acquire and master new technology as follows:
 - 100 grants to private export-oriented manufacturing enterprises in the Colombo areas.
 - 150 grants to private small- and medium-size enterprises outside the Colombo area.
 - 100 grants to assist private enterprises to acquire environmental technology.

- * Technology and Business Services Center - A sustainable for-profit or non-profit organization to provide SET-like assistance after the project is completed.

Indicators to Measure Performance Progress

Indicators for project performance include the following:

- * Increases in employment by beneficiary enterprises.
- * Increases in sales, both domestic and export, by beneficiary enterprises.
- * Increases in investment in new technology by beneficiary enterprises.
- * More diverse products and markets for beneficiary enterprises.
- * Increased investments in environmental technology.
- * Improved techniques and technologies by beneficiary enterprises.

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TABLE XI : PL480 TITLE III

(Dollars in Millions, Tonnage in Thousands)

REQUESTED		ESTIMATED		PROPOSED	
FY 1995		FY 1993		FY 1994	
\$	MT	\$	MT	\$	MT
Transportation		19.0	0.0	8.0	0.0
10.9	0.0				
Wheat	\$125/MT	39.9	318.0	\$125/MT	150.0
\$125/MT 35.0	280.0			19.0	
TOTAL		58.9	318.0	27.0	150.0
45.9	280.0				

August 27, 1993

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PL-480 NARRATIVE

We propose a three-year (FY94-FY96) continuation of our successful PL-480 Title III program at a reduced level of approximately 50% of the FY93 level or \$27 million during the initial year (FY94). Funding in FY95 and FY96 is proposed at the same level of the existing multi-year program, \$35 million plus shipping. The initial three years of the multi-year program, which was originally proposed as a five year program, has been highly effective in leveraging performance disbursements of local currency proceeds against difficult policy reform measures such as liberalization of the food trade, privatization of state-run plantations and fisheries, and accelerating land titling. These local currencies are also supporting the GSL Food Stamp program (almost one million beneficiaries) during a time of severe budgetary pressures as well as the development of 28 farmer organizations and four indigenous NGOs (approximately 75,000 beneficiaries). An impact assessment emphasizing food security is planned for early FY94.

The continuation of this multi-year Title III program through FY96 at a reduced level will enable us to follow through to leverage several difficult policy reforms: downsizing/divestiture of several large bureaucracies, clarifying procedures for land titling and leasing, and improving trade regulations. These reforms promote food security and are necessary to achieve our economic growth strategic objective - competitive, growing enterprises and markets - and our environment strategic objective

- sustained productivity of natural resources. The local currency proceeds will continue to support the Food Stamp program and, in addition, to refugee resettlement programs, as well as to support the local costs of the new CIPART project. Thus, continuing our PL-480 Title III program is also critical to achieving the democracy strategic objective - empowering citizens to participate in democracy and development. We have also initiated negotiations with the GSL on using a greater portion of PL-480 local currency proceeds to support local costs of other projects.

Reductions in the PL-480 Title III levels below 50% of our FY93 level will erode our ability to leverage sectoral policy reforms which increase economic growth and reduce support for: (a) the GSL's food "safety net;" (b) for its assistance to refugees; and (c) for indigenous NGOs.

PRISM INDICATORS

ANNEX (1)

MISSION GOAL, A.I.D. POLICY AREAS, STRATEGIC OBJECTIVES, OUTCOMES & INDICATORS

MISSION GOAL	A.I.D. POLICY AREAS & MISSION STRATEGIC OBJECTIVES	PROGRAM OUTCOMES	USAID PROJECT
A "Greener" Democratic NIC with sustainable accelerated economic growth	A. ECONOMIC GROWTH 1. Increased competitiveness & growth of markets & enterprises 1. Total value of non-traditional exports 2. Amount of foreign investment approved 3. Total value of other agricultural production	1. Reduced government control of productive resources 1. % & value of targeted government assets & investments transferred to LT private control	PSPS MED MARD ISM PL 480 PFI
		2. Improved technologies, more diverse products & markets 1. Value of investments in new technologies by targeted firms	TIPS AGENT MED MARD ACDI SET
		3. More accessible and efficient markets 1. Value of tradeable private equity and debt	HIG PSPS
		4. Improved legal, regulatory & policy performance 1. # of public agencies restructured to respond to private sector needs	PL 480 ADAP PRS
		1. Increased local management & shared control of Natural Resources 1. # & % of targeted area covered by agreements between the GSL & local user groups	NAREP SCOR MARD ISM
		2. Increased public awareness & involvement in environmental issues 1. % general public involved in environmental issues	NAREP
		3. Application of improved techniques & technologies by key "Actors" 1. % of targeted farm households using improved environmental techniques	SCOR MARD SET
		4. Improved legal, regulatory & policy performance 1. # of administrative & judicial actions enforcing NEAP	NAREP PRS
		1. More viable & effective NGO movement 1. # of NGOs focused on policies & programs benefitting vulnerable groups and/or advocating human rights and environmental issues, & following recognised standards of performance & accountability	CIPART NAREP PVO
		2. Strengthened rule of law 1. # of HIR violations and/or limitations on constitutional rights and protections reported by watchdog NGOs	PVO CIPART
		3. Increased range of public information & opinion available on selected development issues 1. # of publications & articles offering non-partisan, in-depth reporting, commentary & public opinion data on key development issues	CIPART
		4. Impacts of war and poverty mitigated 1. # of targeted low-income households achieving incomes & increasing assets above poverty level 2. % of infants & pre-school children with chronic malnutrition 3. % of persons displaced by war/disaster with access to BHN & income generating activities	MED MARD PVO PL 480 CIPART RAP
	B. ENVIRONMENT 2. Improved practices for sustained productivity of Natural Resources 1. # of hectares & % of targeted land with improved conservation techniques 2. % of new investments which are subject to EIA requirements that have substantially complied with EIA recommendations		
	C. DEMOCRACY 3. Greater empowerment of broad range of citizens, to participate in development and democracy 1. % of surveyed citizens personally active in promoting development and democracy, & for attributing value/effectiveness to citizen activism 2. # of targeted public-policy decisions influenced by organized citizen input		
TOTAL INDICATORS	7	14	

ANNEX (2)

USAID/SRI LANKA.... A RESULTS ORIENTED PROGRAM

Our goal is to assist Sri Lanka to become a newly industrializing country by the year 2001. It is based on growth which is participatory, market-led, and environmentally sustainable. Our approach is results oriented, measuring accomplishments against planned targets.

I. RESULTS: USAID/Sri Lanka is getting results with its three strategic objectives.

An open economy with increasing competitiveness and growth of markets and enterprises.

- * New research on 8 field crops is supporting over 980,000 farmer families to diversify. Private sector seed enterprises are replacing government seed farm production.

- * We have assisted 10,500 farmers in Mahaweli System B diversify to higher value cash crops with almost a 20% increase in income. Small and medium scale enterprises have generated over 11,000 jobs in the Mahaweli areas.

- * Our \$3.2 million in grants to almost 200 private firms under a technology transfer program has resulted in over 2,500 new jobs being created and purchases of over \$15 million in U.S. goods and services. These firms are introducing new environmental, plastic, and jewelry products and opening new markets in Asia and North America.

- * Four fold increase in total stock market capitalization from \$325 million in 1988 to \$1.43 billion in 1992. Net foreign direct investment increased to \$115 million in 1992, an increase of 84%. 5 Merchant banks and 7 Venture capital institutions established (total market capitalizations of U.S.\$26m and U.S.\$20m). We are mobilizing an additional \$700 million in new investments for power, port water supply, and urban environmental infrastructure.

- * Privatization of 26 public sector entities have resulted in the transfer of \$205 million in assets to the private sector. Thirty six future privatizations are planned for by the end of 1994. Nearly 500,000 acres of state owned plantations are now privately managed.

Environmental protection by improved practices for sustained productivity of national resources.

- * Environmental guidelines have been developed and 6 regulatory bodies and institutions strengthened. Plans for 1.2 million acres of farmlands, wildlife reserves, and coastal protection are in place; 5 model environmental impact

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assessments conducted, and over 22,000 farmers and 100 environmental analysts under training.

Participatory development of citizens in policies, institutions and programs.

- * Supported activities and strengthened the capability of 34 NGOs, 230 farmer groups (over 200 farmers per group), 33 environment and human rights advocacy groups, 23 chambers and business associations which provided service to almost a 900 thousand people.

II. LEVERAGING: Our program directly leverages nearly \$114 million in multilateral financing and complements some 8 multilateral programs providing \$685 million.

III. MANAGEMENT: We have also committed ourselves to a targeted management strategy critical to improving efficiency and fiscal accountability. We will be achieving the following 5 year targets in 3 years.

- * Reduction in project portfolio from more than 20 projects to 9

- * Increased DA resources direct to the non-governmental sector leading to 47% of funding by 1994

- * Integration of PL-480 and Housing Guarantee activities with development assistance projects

- * Reduction of pipeline to less than a year's planned expenditure (from over \$100 million in 1990 to less than \$30 million by end FY93)

- * Improving management oversight systems (established commodity, participant training, project review, evaluation, audits, internal control, automation oversight systems)

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